

STATE OF SOUTH DAKOTA  
CONSULTING CONTRACT

AGREEMENT made and entered into this 16<sup>th</sup> day of August, 2010 by and between the Department of Tourism & State Development, a state agency, of 711 E Wells Ave., Pierre, SD 57501, (the "State") and Lawrence & Schiller of 3932 South Willow Avenue, Sioux Falls, SD 57105 (the "Consultant").

The State hereby enters into this Agreement for services with Consultant in consideration of and pursuant to the terms and conditions set forth herein.

1. The Consultant will perform services for the State for the purpose of providing research, marketing, and advertising services for the Governor's Office of Economic Development as requested in RFP#25220. The Consultant's response to the request for proposal, Scope of Work (Exhibit A), and the proposed GOED Marketing Outline (Exhibit B) is considered part of this contract.

2. The Consultant's services under this Agreement shall commence on August 16, 2010 and end on August 15, 2011 unless sooner terminated pursuant to the terms hereof.

3. The Consultant will not use State equipment, supplies or facilities. The Consultant will provide the State with its Federal Tax Identification Number upon execution of this Agreement.

4. The State will make payment for services to be paid upon satisfactory completion of the services. The TOTAL CONTRACT AMOUNT is an amount not to exceed \$300,000. Payment will be made pursuant to itemized invoices submitted with a signed state voucher. Payment will be made consistent with SDCL ch. 5-26.

5. The Consultant agrees to indemnify and hold the State of South Dakota, its officers, agents and employees, harmless from and against any and all actions, suits, damages, liability or other proceedings that may arise as the result of performing services hereunder. This section does not require the Consultant to be responsible for or defend against claims or damages arising solely from errors or omissions of the State, its officers, agents or employees.

6. The Consultant, at all times during the term of this Agreement, shall obtain and maintain in force applicable insurance coverage of the types as follows:

A. Commercial General Liability Insurance: The Consultant shall maintain occurrence based commercial general liability insurance or equivalent form with a limit of not less than \$1,000,000 for each occurrence. If such insurance contains a general aggregate limit it shall apply separately to this Agreement or be no less than two times the occurrence limit.

B. Business Automobile Liability Insurance: The Consultant shall maintain business automobile liability insurance or equivalent form with a limit of not less than \$1,000,000 for each accident. Such insurance shall include coverage for owned, hired and non-owned vehicles.

C. Worker's Compensation Insurance: The Consultant shall procure and maintain workers' compensation and employers' insurance as required by South Dakota law.

Before beginning work under this Agreement, Consultant shall furnish the State with properly executed Certificates of Insurance which shall clearly evidence all insurance required in this Agreement. In the event a substantial change in insurance, issuance of a new policy, cancellation or non-renewal of the policy, the Consultant agrees to provide immediate notice to the State and provide a new certificate of insurance showing continuous coverage in the amounts required. Consultant shall furnish copies of insurance policies if requested by the State.

7. While performing services hereunder, the Consultant is an independent contractor and not an officer, agent, or employee of the State of South Dakota.

8. Consultant agrees to report to the State any event encountered in the course of performance of this Agreement which results in injury to the person or property of third parties, or which may otherwise subject Consultant or the State to liability. Consultant shall report any such event to the State immediately upon discovery.

Consultant's obligation under this section shall only be to report the occurrence of any event to the State and to make any other report provided for by their duties or applicable law. Consultant's obligation to report shall not require disclosure of any information subject to privilege or confidentiality under law (e.g., attorney-client communications). Reporting to the State under this section shall not excuse or satisfy any obligation of Consultant to report any event to law enforcement or other entities under the requirements of any applicable law.

9. This Agreement may be terminated by either party hereto upon thirty (30) days written notice. In the event the Consultant breaches any of the terms or conditions hereof, this Agreement may be terminated by the State at any time with or without notice. If termination for such a default is effected by the State, any payments due to Consultant at the time of termination may be adjusted to cover any additional costs to the State because of Consultant's default. Upon termination the State may take over the work and may award another party an agreement to complete the work under this Agreement. If after the State terminates for a default by Consultant it is determined that Consultant was not at fault, then the Consultant shall be paid for eligible services rendered and expenses incurred up to the date of termination.

No party shall be liable for a delay in performance or failure to perform its obligations under this Agreement if such delay or failure is due to acts of God or any other event beyond the control of the parties, including, without limitations, fire, explosion, weather, disease, war, insurrection, civil

strife, riots, government action or power failure, provided, however, that the party who is unable to perform resumes performance as soon as possible following the end of the event causing the delay.

10. This Agreement depends upon the continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement will be terminated by the State. Termination for any of these reasons is not a default by the State nor does it give rise to a claim against the State.

11. This Agreement may not be assigned without the express prior written consent of the State. This Agreement may not be amended except in writing, which writing shall be expressly identified as a part hereof, and be signed by an authorized representative of each of the parties hereto.

12. This Agreement shall be governed by and construed in accordance with the laws of the State of South Dakota. Any lawsuit pertaining to or affecting this Agreement shall be venued in Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota.

13. The Consultant will comply with all federal, state and local laws, regulations, ordinances, guidelines, permits and requirements applicable to providing services pursuant to this Agreement, and will be solely responsible for obtaining current information on such requirements.

14. The Consultant may not use subcontractors to perform the services described herein without the express prior written consent of the State. The Consultant will include provisions in its subcontracts requiring its subcontractors to comply with the applicable provisions of this Agreement, to indemnify the State, and to provide insurance coverage for the benefit of the State in a manner consistent with this Agreement. The Consultant will cause its subcontractors, agents, and employees to comply, with applicable federal, state and local laws, regulations, ordinances, guidelines, permits and requirements and will adopt such review and inspection procedures as are necessary to assure such compliance.

15. Consultant hereby acknowledges and agrees that all reports, plans, specifications, technical data, miscellaneous drawings, software system programs and documentation, procedures, or files, operating instructions and procedures, source code(s) and documentation, including those necessary to upgrade and maintain the software program, and all information contained therein provided to the State by the Consultant in connection with its performance of services under this Agreement shall belong to and is the property of the State and will not be used in any way by the Consultant without the written consent of the State. Papers, reports, forms, software programs, source code(s) and other material which are a part of the work under this Agreement will not be copyrighted without written approval of the State.

16. Any notice or other communication required under this Agreement shall be in writing and sent to the address set forth above. Notices shall be given by and to Richard Benda on behalf of the State, and by Scott Lawrence, on behalf of the Consultant, or such authorized

designees as either party may from time to time designate in writing. Notices or communications to or between the parties shall be deemed to have been delivered when mailed by first class mail, provided that notice of default or termination shall be sent by registered or certified mail, or, if personally delivered, when received by such party.

17. In the event that any court of competent jurisdiction shall hold any provision of this Agreement unenforceable or invalid, such holding shall not invalidate or render unenforceable any other provision hereof.

18. In the event that any court of competent jurisdiction shall hold any provision of this Agreement unenforceable or invalid, such holding shall not invalidate or render unenforceable any other provision hereof.

19. All other prior discussions, communications and representations concerning the subject matter of this Agreement are superseded by the terms of this Agreement, and except as specifically provided herein, this Agreement constitutes the entire agreement with respect to the subject matter hereof.

In Witness Whereof, the parties signify their agreement effective the date above first written by the signatures affixed below.

STATE

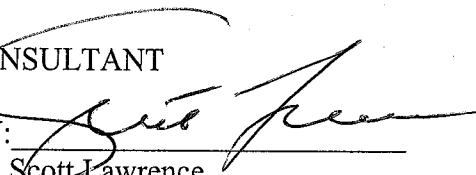
BY:



Richard Benda  
Department Secretary  
Dept of Tourism & State Development

CONSULTANT

BY:



Scott Lawrence  
President  
Lawrence & Schiller

- State Agency Coding (MSA Center): 0410020 and/or 0410040519
- State Agency MSA Company for which contract will be paid: 1000 and/or 3016
- Object/subobject MSA account to which voucher will be coded: 52041100 and/or 52060100
- Name and phone number of contact person in State Agency who can provide additional information regarding this contract: Brooke Bohnenkamp 773-3301

### **3.0 SCOPE OF WORK OVERVIEW**

The selected media contractor (vendor) will be responsible for market research, strategy, development, production, placement and evaluation of a radio advertising campaign and associated new media components in the Minneapolis, MN area for the Governor's Office of Economic Development at an estimated budget up to \$300,000. With previous approval from the Department, sub-contractors are permissible.

#### **DETAILS**

- **STRATEGY:** The vendor will identify and recommend appropriate target markets, media, and tactics to align with GOED goals.
- **CREATIVE SERVICES:** The Vendor will work collaboratively with the Governor's Office of Economic Development (GOED) on campaign development in the categories listed below including but not limited to: advertising concepts, messages, themes, slogans, and production of radio spots from concept through completion, as well as, associated new media components.

The Vendor will provide either the originals or reproducible copies in quantities and formats satisfactory to State of all material developed within 30 days of final state approval. The Vendor will consider all reports, recommendations, documents, drawings, plans, specifications, technical data and information, copyrights patents, licenses or other products produced as a result of the services rendered under this Agreement the sole property of the State.

- **MEDIA PLACEMENT SERVICES:** The Vendor will be required to purchase advertising. The vendor may be required to obtain and place previously produced advertising.

The vendor will process all invoices from media outlets and provide the GOED with an itemized monthly bill as directed by the state. The Vendor must provide written documentation of bonus value summaries for media placement as directed by the state.

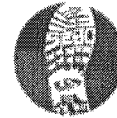
- **PLANNING AND PROGRESS REPORTING:** Within one month of award, the vendor must provide a detailed campaign plan satisfactory to the State that outlines the campaign budget, development and placement timeline, and overall campaign strategy. The vendor will be required to provide quarterly written progress reports, by the 15<sup>th</sup> of the following month in a format agreed upon with the state. The vendor may be asked to provide periodic written reports related to specific projects throughout the contract period.
- **EVALUATION:** The Vendor will include an evaluation component, with measurable goals. Success in regards to the goals will be measured periodically and at the conclusion of the campaign.



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## **GOED Marketing Outline**

Prepared by Lawrence & Schiller  
August 1, 2010



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## INTRODUCTION

The following proposal outlines, at a high level, the next steps L&S would recommend to the Governor's Office of Economic Development. This proposal reflects our discussions and is a combination of research to better understand the marketing audience while sustaining a radio presence in the short term.

## Radio Program

For a budget of \$150,000, GOED will continue a radio presence in Minneapolis/St Paul. We propose to run radio ads starting September 1 through March 1 using public radio, and news/talk/sports radio. With this budget, ads will run 2 weeks every month on three stations, running 20 spots per station each week. To increase the number of spots per week or weeks per month, we suggest ceasing ads starting late November through the entire month of December or even into mid January due to the fact that the general "Christmas Season" is very busy and is not a time in which businesses are looking to relocate.

Having a very strong history in planning and buying media we are confident in choosing public radio and the news/talk/sports stations to best reach the business entrepreneur/owner. Having several stations to choose from within these specifications in the Minneapolis/St Paul market we rely on statistical information from Arbitron which is a survey company that specifically measures listenership in markets across the nation. Below is the Arbitron report which shows the top 10 stations in Minneapolis/ St Paul that reaches Men 35-64. The stations chosen would run on a rotating basis between WCCO AM (CBS News/Talk), KFAN AM (Talk/Sports Twins & Vikings radio) KSTP AM (Talk/ESPN) and KNOW FM (Minnesota Public Radio).

**Daypart:** Mon-Fri 6am-7pm  
**Ranked By:** AQH **Stations per Daypart:** 10 **Sorted By:** AQH  
**Market:** Minneapolis-St. Paul  
**Survey(s):** June 2010 / May 2010 / April 2010 Average  
**Demographic:** Men 35-64  
**Qualitative:**

<u>Station</u>	<u>Cume</u>	<u>Cume Rating</u>	<u>AQH</u>	<u>AQH Rating</u>
Daypart: Mon-Fri 6am-7pm				
KQRS-FM	288,700	42.3	22,600	3.3
KXXR-FM	141,500	20.7	8,900	1.3
KEEY-FM	158,800	23.3	8,000	1.2
WCCO-AM	149,600	21.9	7,800	1.1
KZJK-FM	169,500	24.8	7,500	1.1
KQQL-FM	175,000	25.6	6,800	1.0
KTLK-FM	101,400	14.9	6,100	0.9
KFAN-AM	112,400	16.5	5,900	0.9
KTCZ-FM	143,800	21.1	5,600	0.8
KSTP-AM	153,100	22.4	5,400	0.8



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## Research Recommendation

Lawrence & Schiller and GOED will work in partnership to create a holistic approach and concept for the creation and implementation of integrated brand strategy that will deliver a united identity for the state's economic development efforts on an industry specific level, as well as generate momentum for continued in-state retention growth. The focus is to enable a layered research platform for a vibrant, healthy, and motivated business growth in 2011 and beyond.



### **PHASE 1: Defining the Focus: Key Stakeholder Discussions**

What's exceptional about doing business in South Dakota? What can the state of South Dakota offer that others in the country lack? With any strategic effort, key stakeholders and industry constituents often have lots of goals and organizational objectives that they are trying to achieve. Embarking upon a state-wide, integrated branding strategy that assists several industries and communities is a massive challenge and the effort's success starts with a clear, meaningful vision.

Getting the right people in the room—people who are working and growing businesses in South Dakota, and who are passionate about the state and their role within, who understand what the state does well, and are realistic about what they could do better is an invaluable part of gaining the strategic insight and tools to be confident about the brand promise we ultimately want to help you create. We recommend including in the audience mix of business leaders who are new to the state and representative of both private and public sectors. It would also be beneficial to include leaders who have operations in other states.

When this vision is clear, it's much easier to gain excitement and momentum and it's clear how to communicate to prospects, communities, site selectors, and the national business audience. With a series





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of executive level visioning sessions, L&S will help the team define the dream that a new strategic marketing approach that is based upon community and industry leaders' initial insights. This is the first step toward building a path to reach a destination.

**Execution of Phase:**

Assessment: Gauge statewide leadership's understanding and perceptions of current marketing environment and overall marketing priorities in a ½ day strategic planning session, or statewide series of meetings. The team will compare and test the priorities and perceptions of the current GOED efforts against existing and planned key stakeholder insights.

The session(s) will utilize a moderator's guide that will be developed in partnership with GOED team and should include the following:

- Brand Identity Assessment
- Identification of Key Initiatives & Priorities
- Identification of Goals and Measurements for Marketing and Communications efforts
- Target Audience (Prospects, Suppliers, Secondary Opportunities) Discovery

The following services are included in the proposed cost:

- 5280 Session with Key Stakeholders
- Project Management
- Analysis and Executive Summary
- Presentation and Final Delivery of Recommended Marketing Plan and Creative Approach

**Phase 2: Understand the Audience**

In the initial Research stage of the project, the team will work collaboratively to gain insight and buy-in from the state's business and economic development community, and other key community influencers through a careful evaluation of existing research, news and industry monitoring, social media monitoring, identification of an advisory group and key influencers, qualitative interviews and web-based community focus groups.

**A. Investigate and Catalog Existing Research and Available Resources**

Before investing in any primary audience research, L&S recommends a collaborative review of existing research resources and target industry information available through prior studies and secondary sources. As with any effort, we only want to provide the best solution for your needs and a full assessment the current body of work will ensure that dollars and time are spent wisely and efficiently. As a partner of GOED, the data should be reviewed under a renewed focus on the future needs and vision. L&S will work with the GOED team to develop a matrix of audience needs and existing data to ensure efforts moving forward are not duplicative or in direct conflict with past investigations.



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**Methodology & Deliverables:**

Pricing is based upon an initial review of research and secondary data, and existing formats of business and/or industry reports, and available analytics.

- Team Interviews
- Comprehensive Data Review
- Development of Data/Needs Matrix
- Executive Summary and Recommendations

Based upon our understanding the project scope and existing information:

**B. Gain insight and buy-in from targeted prospects through an in-depth interview process.**

Identify and interview active prospects who have not yet moved their business to the state. We recommend conducting a series of online in-depth interviews to aid in the development of a larger quantitative questionnaire for the target industry community. These interviews will help us explore and identify the universe of potential responses and associations prior to the quantitative study, which will ensure that we are accurately capturing the true connections of decision-makers who have varying degrees of familiarity with the state, our competitors and other reputation needs of a progressive state and business climate.

- o L&S will conduct eight to twelve (8-12) one-hour interviews with key prospects per target industry (ie 6 in-region and 6 out of region). Each interview will be conducted online allowing participants of the GOED team to observe in a virtual "backroom."
- o During the course of the interview, we will explore current associations with the various competitor regions, understand which attributes are associated with the state and identify choice/reputation factors.
- o We will also utilize other qualitative exercises to identify some of the underlying values associated with each competitor's business climate, which can be useful in understanding and developing salient brand positioning messages during the message execution phase.

**Methodology**

- Contact identified participant via letter or telephone introduction followed by an e-mailed pre-interview and screening survey. A monetary incentive for each participant is recommended.
- 45-60 minute average interview length per participant;
- Each participant will be asked questions primarily based on the GOED team input, visioning process and secondary data analysis.
- OPTIONAL: Instead of on-line interviews, L&S would like to explore other opportunities to interview prospects at key in-state events (ie Buffalo Roundup), tradeshow, or potential geographic missions. The additional travel costs are not included. The incentives may change based upon location of interview.

**Deliverables:**

- o Moderator's Interview Guide
- o Fully recorded sessions:



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- Ability to hear live sessions;
- Complete written report with findings from email survey and interviews, which includes recommendations for other planned research activities.

**C. Monitor consumer insights research to remain in touch with online conversations among statewide and targeted business audience members.**

Perform ongoing social media and public relations monitoring to access and evaluate conversations occurring within target industry business communities on a local, regional and national level. The information mined from online conversations will help GOED identify benefit factors that may identify choice and perception of industry thought leaders, the tone of their conversations and who the primary influencers are among these discussions.

- Using a variety of best practices and tools, the social media research serves as the eyes and ears for all industry-related conversations taking place online. Keyword filters be used to monitor specific conversations taking place within blogs, podcasts, videos, and other forms of social media platforms for mentions and references regarding the target industry and identified competitor nuances.
- The team also recommends utilizing public relations and advertising spending monitoring to understand the marketing environment and competitive landscape on a regional and national level.
- After social media monitoring is in place, conversations are mined, looking for themes and patterns. This allows for the analysis of volume and tonality and reports how it changes over a period of time. This will assess and evaluate larger shifts in community perceptions and sentiment. This type of reporting will be utilized before and after the new branding positioning is launched.
- The team will use social media monitoring to understand the impact of public relations and advertising spending of competitors and key geographic markets to formulate future benchmarks and overall branding success.
- Develop a plan to train internal the GOED staff on the use of social media and public relations monitoring tools. Create a set of response guidelines and schedule in-person or online training to equip the GOED team to actively engage the identified communities, and platforms, for the future.

**Deliverables:**

- A weekly social monitoring report throughout from 9/1/2010 through 2/1/2010 that includes recommendations for engagement as well as foundational information for quantitative research. Will include posting sources, detailed summary of online conversations and benchmark analysis.
- **Competitive Analysis** – Quarterly analysis, including dollar value and share of PR Voice and online social media Based upon your preference of newspapers, TV, radio (if available) and online communities, we will compare, contrast and provide message evaluation.

**D. Online Quantitative Survey**

Once a foundational understanding of core audiences is developed, L&S recommends using the information from the visioning session and the initial qualitative approaches to define the areas of focus to



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## OVERVIEW OF L&S

Founded in 1976, Lawrence & Schiller (L&S) has a robust history of working with clients in the Midwest and throughout the country. Independently owned and operated, our mission is to build our clients into market leaders in a passionate, relentless and impactful manner. It is this drive that has grown the company into a full-service agency with more than 70 team members. Headquartered in Sioux Falls, SD, with a branch location in Deadwood, SD, the agency is structured into multiple account teams to work most effectively and efficiently for our clients. A team consists of account service, media, copy, design, research and web marketing specialists. The dedicated team approach allows this group of people to become deeply immersed in each client's business. In addition to our account teams, the agency also offers four in-house product teams specializing in research and planning, broadcast production, web development and public relations.



While there's no such thing as a "typical" Lawrence & Schiller approach, we do adhere to a proven philosophy. We have established an extra-mile approach known as "5280" to ensure our marketing strategies are always built upon a foundation of research and careful planning. This process begins with a strategic planning session to identify and develop the steps necessary to launch and execute a successful marketing communications plan. Together, we develop a comprehensive understanding of a client's marketing environment, identify key opportunities and establish the direction needed to reach our client's goals. Once the strategic planning process is complete, we work with our clients to produce fresh and effective creative that meets the target audience where they live, work or play. During the implementation phase of the 5280 approach, L&S executes on the concept, using an assortment of product lines and functional levels of expertise. Every day, we strive to create market leaders with strong analytics capabilities,

intense search and positioning techniques, audience research methods, and broad technical experience with emerging channels and social media.



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**Economic Development Marketing & Advertising  
Response: Request for Proposal # 25220  
June 4, 2010**



**Economic Development Marketing & Advertising  
Response: Request for Proposal # 25220  
June 4, 2010**

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Friday, June 4, 2010

REQUEST FOR PROPOSAL # 25220  
BROOKE BOHNENKAMP  
GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT  
711 EAST WELLS AVENUE  
PIERRE, SOUTH DAKOTA 57501

Dear Brooke,

Thank you for the opportunity to respond to your Request for Proposal (RFP) for the Governor's Office of Economic Development.

We hope that the state's past experiences with Lawrence & Schiller have positioned us as a leading strategic marketing and advertising agency. In addition to having a 5280, Extra Mile attitude toward our work, we also strive to maintain that attitude with every client relationship, working diligently alongside you to exceed business and campaign-specific goals. We have greatly enjoyed collaborating with the Governor's Office of Economic Development on previous campaigns, and we are grateful to have the opportunity to expand our relationship as your partner in promoting this new marketing campaign.

The pages that follow represent our response to your RFP in a question-and-answer format. If you have additional questions, please do not hesitate to contact me and we will respond immediately.

Sincerely,

Scott Lawrence  
CEO



## **Table of Contents**

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5.2.1 RFP Form.....	4
5.2.2 Executive Summary.....	5
5.2.3 Detailed Response .....	6
5.2.3.1 Our Understanding of Your Request.....	6
5.2.3.2 Your Lawrence & Schiller Team.....	7
5.2.3.3 Overview of the Agency .....	14
5.2.3.4 Our Capabilities .....	15
5.2.3.5 Specific Point-by-Point Response.....	18
5.2.3.7 Current Clients & References .....	18
5.2.3.8 Our Work .....	27
5.2.4 Cost Proposal.....	33






**5.2.1 RFP Form**

**Governor's Office of Economic Development  
711 E Wells Ave  
Pierre SD 57051**

**ECONOMIC DEVELOPMENT MARKETING & ADVERTISING**

**Proposals Are Due No Later than June 7, 2010**

**RFP#: 25220**

FIRM NAME: Lawrence & Schiller AUTHORIZED SIGNATURE: 

ADDRESS: 3932 S. Willow Avenue TYPE OR PRINT NAME: Micah Aberson

CITY/STATE: Sioux Falls, SD TELEPHONE NO: 605.338.8000

ZIP (9 DIGIT): 57105-6293 FAX NO: 605.338.8892

FEDERAL TAX ID#: 46-0343641 E-MAIL: micah.aberson@l-s.com

***PRIMARY CONTACT INFORMATION***

CONTACT NAME: Micah Aberson TELEPHONE NO: 605.338.8000

FAX NO: 605.338.8892 E-MAIL: micah.aberson@l-s.com



### **5.2.2 Executive Summary**

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As a full-service agency, Lawrence & Schiller is well prepared to assist the Governor's Office of Economic Development in every component of the campaign needed. Our services include research, strategy, creative, art, copy, print, outdoor, television, radio, public relations, coordination, traditional media, digital media, street team/grassroots, internet development and digital marketing/social media.

Our philosophy is one of collaboration with clients, wanting you to be deeply engaged in the process and the solutions. The following proposal demonstrates how we will work for you, combining years of experience in state government, to help the Governors Office of Economic Development gain more leads from the state of Minnesota. With less than 12 percent of GOED leads coming from Minnesota last year, the underlying goals of this campaign are apparent – to cultivate economic growth, enhance sales activity, foster business expansion and generate leads and interest, specifically with Minneapolis and the state of Minnesota.

"Ready to Work" was the result of a collaboration with GOED after conducting research with site selectors and business executives in Minneapolis for relocating or expanding into South Dakota. Lawrence & Schiller's direct involvement in that project uniquely positions us to understand the target audience and their perceptions of South Dakota. This will prove to be a great benefit to GOED moving forward.

Additionally, L&S has been fortunate to maintain a relationship with the SD Office of Tourism (TSD) since 2003. This relationship has allowed us to become very familiar with the Minneapolis market, as it is a target-rich environment for visitors, as well as businesses. If L&S is selected, GOED would benefit from nearly \$6,000,000 in paid media for TSD in this marketplace since 2003. The media relationships that have been established, coupled with the buying power from Tourism, will provide GOED with a powerful one-two punch.

Within this RFP response proposal, we also provide you with an understanding of our full scope of capabilities, previous experience and professional expertise. The examples of our work reflect an in-depth understanding of our clients' business needs and goals. We believe that our best work is the result of our time and energy to be informed, prepared and immersed in the client's day-to-day world.



### **5.2.3 Detailed Response**

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#### **5.2.3.1 Our Understanding of Your Request**

L&S has worked with the Governor's Office of Economic Development on a few different campaigns in recent years. Our partnership has yielded successful campaigns for the "Ready to Work" and "SOUTH DAKOTA CERTIFIED Beef™" projects, helping to cultivate economic growth through trying times.

Lawrence & Schiller is fortunate to have the opportunity to work with forward-thinking clients who value marketing programs that demonstrate performance. Whether it's web analytics, response rates, enrollment or social media influence, we utilize the most sophisticated ROAS (return on ad spend) techniques and measurement resources available in order to ensure taxpayer and donor dollars are utilized in the most efficient and judicious manner. We are pleased with our capabilities to provide real-time accountability, and we look forward to providing GOED with the resources you need to make the most informed, strategic decisions.

The Governor's Office of Economic Development is seeking the assistance of Lawrence & Schiller to develop a successful radio advertising campaign with new media components for the Minneapolis, MN, area. Responsibilities will include market research, strategy, development, production, placement and evaluation of the overall campaign. In all areas of this campaign, Lawrence & Schiller is committed to exceed your expectations and deliver on our promises in all that we do.



### **5.2.3.2 Your Lawrence & Schiller Team**

The following information provides a summary of each team member's background and experience who will be assigned responsibilities related to the GOED account.

#### **Scott Lawrence, President & CEO**

A brother to agency founder Craig Lawrence, Scott has been with L&S for more than 25 years. He plays a strategic role in nearly every agency account – especially on tourism and travel clients. Scott has key relationships with many of the region's best-known organizations and offers marketing perspectives to boards of Xcel Energy, the Sioux Empire United Way, the South Dakota Symphony and many other local and regional causes. Scott is the driving force behind the L&S "5280" mission and is at the core of the passionate and relentless culture of the agency.

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#### **John Pohlman, Executive Vice President**

John has been with L&S since 1986, serving as Copywriter, Broadcast Producer and Creative Director prior to his current position. A 1984 graduate of the University of South Dakota, John began his career with short stints at local television stations before joining L&S. He's maintained close working relationships with the South Dakota Office of Tourism and Governor's Office of Economic Development throughout the years and has won numerous state and regional advertising awards for clients such as DAKOTACARE, Sanford Health, South Dakota Tourism and Pure Fishing.

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#### **Micah Aberson, Vice President of Client Services & Business Development**

Micah joined the agency in 2003 and for nearly six years has been heading up accounts such as South Dakota Tourism, South Dakota CERTIFIED™ Beef, South Dakota Office of Highway Safety, DAKOTACARE and more, working with clients to define and set goals for their business and crafting strategic communication plans to achieve them.

Micah has been recognized for his work by multiple organizations, including *The Argus Leader* "15 under 30" Future Leaders Series (2006), the Jaycees one of "Ten Outstanding Young South Dakotans" (2007) and *Prairie Business Magazine* as one of 20 under 40 regional top young professionals (2009).

Micah received his BA, with honors, in business and marketing from Augustana College. He also holds an MBA from the University of Sioux Falls.



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**Katie Goehring, Account Coordinator**

Katie joined L&S in 2009 as an Account Coordinator. In her role, Katie maintains client communications and coordinates various projects for a variety of clients, including the South Dakota Office of Highway Safety, DAKOTACARE, Rapid City Convention & Visitors Bureau and more.

Katie earned her degree in Economics with an emphasis in Marketing and Business from South Dakota State University.

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**Melody Morton, Senior Copywriter**

Melody joined L&S in 2003 and is responsible for concepting, brand development and the execution of work that integrates creativity with the client's strategic plan and overall marketing goals. Melody is also a certified e-mail marketer who has taken courses in optimization, digital campaigns and landing pages to learn the key factors in gaining reads and click-throughs.

Melody has worked on clients like South Dakota Tourism and all of its co-op partners, GOED, SOUTH DAKOTA CERTIFIED™ Beef, DAKOTACARE and more. Work that Melody has been involved in has won U.S. Travel Association Mercury Awards, an Odyssey Award and several ADDY® and Telly awards. Before joining L&S, Melody was a reporter and producer for South Dakota Public Radio and KELO Television in Sioux Falls. She also served as the public relations coordinator at Children's Care Hospital and School. Melody graduated with a degree in Mass Communication from the University of Sioux Falls.

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**Korena Keys, Media Strategist**

Korena plans, negotiates and places clients' creative pieces in the medium that will best accomplish their campaign goal within budget. She's been working as the key strategist for the South Dakota Office of Tourism and various partners since 2003 and has a proven track record of success.

Korena has worked to perfect media plans for various clients, accurately targeting different audiences and travel niches through network TV, national magazines, cable, local and regional newspaper, spot radio, online media and disruptive media. Korena's annual strategic plans total more than \$8 million in media for travel industry clients. Prior to joining L&S, Korena worked for Nichols as a media buyer and for KELO Television as a production assistant, graphic designer and traffic/sales assistant. She has a degree in Mass Communications from the University of Sioux Falls.



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**Wade Thurman, Senior Art Director**

Wade joined L&S in 2000 and works with various clients to develop creative looks and campaigns that resonate with target audiences. He specializes in creative conceiving and design with an emphasis on typography and illustration, working largely with print, logo design, brochures, collateral and digital design.

Wade has a double degree in Visual Arts/Graphic Design and Advertising from South Dakota State University and has earned several advertising awards over the years for his work.

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**Kevin VanWesten, Director of Production Services**

As Production Coach and Director of Production Services, Kevin Van Westen manages and mentors the agency's staff of production artists and also maintains Mac technology around the building, including computers, printers and network servers. Kevin joined L&S in 1984 and previously served as a Junior Art Director and Art Director before assuming his current position. With 25 years under his belt, only the agency's cofounders, Craig Lawrence and Paul Schiller, and current president Scott Lawrence have been here longer.

Kevin has worked with almost every client at L&S. During his tenure, Kevin has served the agency in almost every capacity from type-setting and airbrushing to layout, logo design and maintaining today's sophisticated Mac hardware and software.

Kevin previously worked at Alvine Arts & Advertising before joining L&S. In 2009, he was honored with the South Dakota Advertising Federation's distinguished Creative Legacy Award for originality, innovation and leadership in marketing and advertising.

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**Jeremy Peters, Production Artist**

Jeremy joined L&S as a production artist in 2006. He's assisted with production and art direction on a wide range of clients, recently branching into the tourism industry. Throughout the last year, Jeremy has taken the lead on Rapid City Convention and Visitors Bureau and has assisted on South Dakota Tourism and the Office of Highway Safety.

Prior to working at L&S, Jeremy was the head of the production department at Western Commercial Printing in Sioux Falls, SD. Here he developed a wide array of production and design skills while also learning the "ins and outs" of the printing industry.



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**Dave Haan, Director of Public Relations and Digital Development**

Dave Haan is the Director of Public Relations and Digital Development at Lawrence & Schiller. He joined L&S in 1997 as a writer/producer for long format videos. Soon L&S began developing websites and "web producer" became his primary focus. Over the years, Dave worked to bridge the gap between marketing needs and digital technologies, helping clients find the tools that best fit their strategic marketing plans.

Prior to joining L&S in 1997, Dave worked for nearly ten years at KELO Television as a reporter, producer and anchor, covering a wide range of stories from state and local government to health and education. Dave has a double degree in Broadcast Journalism and Speech from South Dakota State University. Dave has spoken on digital development, online marketing and social media at several local and regional conferences and forums.

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**Eric Ellefson, Senior Web Producer**

Eric Ellefson joined L&S in 2008. As a Senior Web Producer, Ellefson works with both new and existing clients to coordinate web production projects and works to establish effective online marketing strategies. By managing the process of web design from concept to execution, Eric provides a single point of contact to ensure projects stay on time and on budget.

Ellefson has ten years of sales/marketing experience, eight years of hospitality experience and knowledge from running his own independent online marketing business. He holds a degree in Business Economics from South Dakota State University and is an 18-year veteran with the South Dakota Air National Guard.

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**Eric Cross, Senior Interactive Programmer**

Eric Cross is the Senior Interactive Programmer at L&S. Eric works with all aspects of website development including initial planning and specifications, database design, data integration, coding, testing, hosting and technical support. He is also experienced in building and maintaining Windows desktop applications.

Eric has been programming in one way or another since the age of 13 and has been developing websites since 1993. Before joining L&S in 2000, he worked with IWAY Internet Services and EROS Data Center. Eric attended Dakota State University for Computer Science and Information Systems.



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**April Johnston, Interactive Art Director**

April Johnston is an Interactive Art Director specializing in designing dynamic information sites as well as focusing on user interface, social media and experience design. She is a Certified Email Marketing Professional and helps implement dynamic, targeted e-mail marketing campaigns for her clients.

April joined L&S in 1999 and oversees web projects and design from beginning to end, producing designs as well as animation and audio for Flash implementation. She has worked with a wide variety of clients including tourism, communications, healthcare, education, government and broadcasting.

Prior to joining the L&S team, she served as Assistant Designer for Information Technologies Center and as a freelance Graphic Designer in Omaha, NE. Johnston has been honored with several South Dakota ADDY Awards, as well as WEBBY Award recognition. She is a graduate of South Dakota State University with a degree in Visual Communication and Graphic Design.

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**Robin Temple, Director of Digital Marketing**

Robin leads online marketing efforts for Lawrence & Schiller and manages its Deadwood office. Robin's Digital Marketing team is Google-certified and focuses on building innovative, comprehensive online marketing plans and executing these ideas with precision. Plan components include search engine optimization, search engine marketing, online display advertising, dynamic email marketing, social media, web analytics, dashboards and evolving technologies.

Prior to joining Lawrence & Schiller in April 2007, Robin worked for Black Hills State University as Director of Online Marketing and Adjunct Instructor for the University and, prior to that, held various marketing/design roles in the Denver market on accounts such as Avis, Trip.com, Nelnet and others. Temple graduated from Black Hills State University with a bachelor's degree in Mass Communications with minors in Business and Speech Communications. She earned her master's degree in Business Administration from Regis University in Denver, CO.

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**Billie Jo Waara, Director of Account Planning and Research**

Billie Jo is the Director of Account Planning and Research for Lawrence and Schiller. Her team focuses on account planning and qualitative and quantitative research, including consumer insights research from a variety of secondary and primary sources, such as blog posts, ratings and review sites, trade publications,





etc. Billie Jo has a deep knowledge in all aspects of market research and new online social mediums. She has worked on product and market development projects across the country to better understand audiences of financial services, healthcare, education and travel, and entertainment.

Prior to joining Lawrence & Schiller in February 2008, Billie Jo was the Director of the South Dakota Office of Tourism. With a marketing budget of \$11.1 million, she worked to increase visitor spending in the state by understanding the state's visitor audiences.

Billie Jo previously led market research efforts at Wells Fargo Education Financial Services. Billie Jo was also the Public Affairs and Research Manager for the Sioux Falls Area Chamber of Commerce where she led market research, public relations and community marketing efforts. Billie Jo graduated from Augustana College as a double major in Business Administration and International Government and received her MBA (MIS emphasis) from the University of South Dakota.

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**Krista Gussiaas, Internet Marketing Specialist**

Krista is an Internet Marketing Specialist based out of the Deadwood office. Krista has been with L&S since 2007, working on a variety of digital marketing projects including search engine optimization, website content development and structuring, A/B testing, pay per click advertising, email marketing, website analytics and online consumer insights. Krista is Google AdWords certified and graduated from South Dakota State University with a degree in News Editorial Journalism. She has prior experience as publisher of the *Meade County Times* in Sturgis, South Dakota.

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**Courtney Lotzer, Account Planning & Research Specialist**

Courtney Lotzer joined L&S in March 2008. As an Account Planning and Research Specialist, she oversees research projects, ensuring they stay on task and budget. She is also the project manager for the Navigator CRM product that is currently being used by South Dakota Tourism. Prior to joining L&S, Courtney worked as the Events and Fulfillment Supervisor for Baxa Corporation in Denver, CO, and studied at both South Dakota State University and Brown College.



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**Anne Dickman, Social Media Specialist**

Anne joined L&S in May 2009 as a Social Media Specialist for L&S. She mines, monitors and responds to conversations that are taking place online for various agency clients, promoting digital public relations. Prior to joining the team, Anne gained experience at The Ritz Carlton-Bachelor Gulch in Colorado, where she was involved in onsite PR and marketing events. Anne graduated from Black Hills State University with a degree in Business/Marketing.

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**Adam Sherman, Editor**

Adam began his path to L&S back in 1991 when his family moved from Massachusetts to Irene, SD. After attending the Art Institute of Colorado in Denver, Adam began his professional career in Broadcast Television at KELO TV. After several years of working on newscasts, commercials and live events, he moved on to L&S to fill the role of editor where he currently works to create and polish television commercials, long-format videos and motion graphics.

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**Chris Matheson, Producer/Director**

Chris joined L&S in 2001 as Broadcast Producer and Writer. Chris produces and directs commercials and videos for clients including South Dakota Tourism, GOED and the Office of Highway Safety and has received several ADDY and Clio Awards for his work. Chris gained ten years of experience working in the commercial industry in California before he joined L&S. He earned his degree in Mass Communications from the University of South Dakota.

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**Kevin Phipps, Audio Engineer & Producer**

Kevin Phipps joined L&S in 2002, and his diverse position allows him to record and mix audio, oversee sound design and specialize in audio repair and restoration. He also works with writers and producers in the selection of music and voiceover talent. Kevin has received countless ADDY Awards for his work at L&S. Before joining L&S, Kevin did freelance audio engineering work and served as the program and promotions director for FOX-17 TV here in Sioux Falls. Kevin attended Georgia State University and DeVry Institute of Technology.



### 5.2.3.3 Overview of the Agency

Founded in 1976, Lawrence & Schiller (L&S) has a robust history of working with clients in the Midwest and throughout the country. Independently owned and operated, our mission is to build our clients into market leaders in a passionate, relentless and impactful manner. It is this drive that has grown the company into a full-service agency with more than 70 team members. Headquartered in Sioux Falls, SD, with a branch location in Deadwood, SD, the agency is structured into multiple account teams to work most effectively and efficiently for our clients. A team consists of account service, media, copy, design, research and web marketing specialists. The dedicated team approach allows this group of people to become deeply immersed in each client's business. In addition to our account teams, the agency also offers four in-house product teams specializing in research and planning, broadcast production, web development and public relations.



While there's no such thing as a "typical" Lawrence & Schiller approach, we do adhere to a proven philosophy. We have established an extra-mile approach known as "5280" to ensure our marketing strategies are always built upon a foundation of research and careful planning. This process begins with a strategic planning session to identify and develop the steps necessary to launch and execute a successful marketing communications plan. Together, we develop a comprehensive understanding of a client's marketing environment, identify key opportunities and establish the direction needed to reach our client's goals.

Once the strategic planning process is complete, we work with our clients to produce fresh and effective creative that meets the target audience where they live, work or play. During the implementation phase of the 5280 approach, L&S executes the concept, using an assortment of product lines and functional levels of expertise. L&S services include research, broadcast services, art direction and design, web development, public relations, media planning and placement and account planning.



### **5.2.3.4 Our Capabilities**

#### **Research**

Lawrence & Schiller's research team specializes in consumer insight research, account planning, qualitative and quantitative research to best understand target audiences and behaviors, define campaign goals and identify results. Research programs can include anything from focus groups and surveys to measuring the effect your brand has on your audience.

- Account planning
- Online consumer insights
- Quantitative & qualitative studies
- Advanced analysis and secondary research
- Field intercept studies
- Focus group moderation and analysis
- Cluster profile analysis
- Demographic, geography and ethnography studies
- Advertising audit
- Trending studies
- Online usability studies
- Campaign effectiveness reporting

#### **Broadcast**

Our in-house crew ensures the highest level of production quality from script to screen. We have a fully-equipped digital edit suite with dedicated stations for 2D After Effects editing and 3-D animation design. We also have our own state-of-the-art audio suite for polishing film and video projects using professional voiceovers and custom music mixes, as well as producing award-winning radio advertisements.

- Film and Video
- Direction
- Video production
- Video editing
- Set construction
- 3-D animation
- Sound design
- Voiceover recording
- A/V coordination



### Creative/Graphic Design

Our talented collection of copywriters and art directors have won countless regional and national awards for creative achievement, producing magazine, print, outdoor, direct mail and non-traditional design and working to provide graphic direction to our broadcast and web production teams.

### Media Strategy

The L&S media team is the most experienced in the region. With experience in all aspects of media planning and placements, they are dedicated to your success. The Strategists continue to stay ahead of industry trends and emerging media through ongoing education, trade show conferences and immersion. Our team has extensive experience with all aspects of traditional and emerging media, including text message marketing, street team tactics, out-of-home and online strategy.

### Web Development

Our web programmers specialize in custom, database-driven Internet applications, developing sites with lead generation and customer retention tools that have been recognized nationally for their innovation and effectiveness. Capabilities include:

- Programming a proprietary content management system
- Development with ColdFusion, ASP, ASP.net, PHP, AJAX, JavaScript, CSS and XHTML
- Managing SQL Server and integration client databases
- Creating rich media applications (Flash, Action Script, Streaming Video)
- Programming custom customer relationship management (CRM) tools
- Developing custom e-commerce solutions

### Web Marketing

In addition to building websites, L&S has established a proven methodology in the art of web marketing. Our web marketing specialists have become highly sought speakers at marketing conferences throughout the nation. Through services such as search engine optimization, social media monitoring, pay-per-click advertising, dynamic e-mail marketing, behavioral-targeted display advertising and social media marketing, L&S will ensure that your site not only provides a positive user experience, but also gains top online visibility by your target audience and identified on-site conversions.



### Public Relations

Our public relations team is dedicated to positioning our clients with the media and other key constituent groups through disruptive public relations strategies. Capabilities include:

- Strategic planning
- Media and community relations
- Product launches
- Media training
- Employee communications
- Grass roots campaigns
- Crisis and issues management
- Special events and presentations

Digital public relations goes even further, gathering what people are saying about your brand online and providing a vehicle from which to respond.

- E-mail marketing as part of a customer relationship management program
- Multi-media press releases
- Social media monitoring and engagement



### **5.2.3.5 Specific Point-by-Point Response**

Following is our specific response to each requirement listed in Section 4.0 Proposal Requirements and Company Qualifications.

#### **4.1 Responsibility of Vendor to Submit Information Requested**

Lawrence & Schiller understands and accepts the terms proposed in the corresponding section of the RFP.

#### **4.2 Vendor Contacts**

Lawrence & Schiller understands and accepts the terms proposed in the corresponding section of the RFP.

#### **4.3 Previous and Current Service Agreements**

The current service contract information is provided as follows for each contract:

- Contract I, II or III
  - 4.3.1 Contact Information
  - 4.3.2 Dates of Service/Contract
  - 4.3.3 Description of Services/Requirements

#### **Current Contract I: South Dakota Department of Public Safety (SDDPS)**

##### **SDDPS 4.3.1 Contact Information**

James Carpenter, Director of the Department of Public Safety  
South Dakota Office of Highway Safety  
118 West Capitol Avenue  
Pierre, SD 57501  
(605) 773-3178

##### **SDDPS 4.3.2. Dates of Service/Contract:**

Lawrence & Schiller has worked with the South Dakota Office of Highway Safety since November 2008.

##### **SDDPS 4.3.3 Description of Services/Requirements**

Lawrence & Schiller is engaged in the development and execution of three campaigns focused on seatbelt usage, drunk driving and motorcycle safety. All three campaigns include a "social norming" component, with the first and second also including an enforcement element. The campaigns all adhere to a full circle marketing approach, including broadcast television production, print and outdoor advertising, radio advertising, media planning and placement, web production, web marketing, public relations and non-traditional marketing through the use of text messaging and street teams.



**Current Contract II: Sanford Health**

**Sanford 4.3.1 Contact Information**

Kelby Krabbenhoft, CEO  
1305 W. 18<sup>th</sup> Street  
Sioux Falls, SD 57117  
(605) 333-1000

**Sanford 4.3.2. Dates of Service/Contract:**

Sanford Health (formerly Sioux Valley Hospital and Health Systems) has been a client of Lawrence & Schiller for 25 years.

**Sanford 4.3.3 Description of Services/Requirements**

L&S works with Sanford on a variety of strategic planning and marketing efforts for several service lines within the health system including trauma, women's, children's, cancer, cardiac and surgical services. L&S has also developed system-wide branding campaigns, recruitment and internal employee campaign materials, prevention messaging and general marketing for entities and facilities across the health system.

**Current Contract III: Great Western Bank**

**GWB 4.3.1 Contact Information**

Jeff Erickson, CEO of the Americas  
100 N. Phillips Ave.  
Sioux Falls, SD 57110  
(605) 336-4462

**GWB 4.3.2 Date of Service/Contract**

Lawrence & Schiller has worked with Great Western Bank since 2005.

**GWB 4.3.3 Description of Services/Requirements**

Great Western Bank operates more than 125 locations in Arizona, Colorado, Iowa, Kansas, Missouri, Nebraska and South Dakota. Lawrence & Schiller works with the bank's executive and marketing team in general branding, soliciting of bank products and internal employee communications. Since working with Lawrence & Schiller, Great Western Bank has experienced explosive growth and become a regional leader in the banking industry. Great Western Bank was purchased in 2008 by National Australia Bank, and Lawrence & Schiller was called upon to handle all of the public relations, marketing and internal communication of the merger.





**Previous Contract I: South Dakota GunWise (SDGW)**

**SDGW 4.3.1 Contact Information**

Jeffrey C. Clapper, Assistant United States Attorney  
US Dept. of Justice  
District of South Dakota  
230 S. Phillips Avenue, Suite 600  
P.O. Box 5073  
Sioux Falls, SD 57104  
(605) 330-4400

**SDGW 4.3.2 Dates of Service/Contract:**

Lawrence & Schiller worked with South Dakota GunWise from January 2003 until November 2005.

**SDDPS 4.3.3 Description of Services/Requirements**

South Dakota GunWise was part of the national Project Safe Neighborhoods campaign aimed at taking guns out of the hands of criminals and taking criminals out of our community. This national campaign was executed in all 50 states to deal with each area's particular gun issues and laws.

Lawrence & Schiller, along with the South Dakota Department of Justice, determined that the focus of this campaign in South Dakota was to communicate the law, promote gun safety and decrease teen gun crimes. The objective was handed down directly from the United States Department of Justice. It was our responsibility to make this national campaign our own and market it statewide, informing people of the particular gun laws and the consequences that are associated with these laws if broken.

In doing this, Lawrence & Schiller created the name "South Dakota GunWise" and the positioning line "Don't Play Dumb With Your Gun." These elements were utilized throughout multiple mediums including :30 television commercials, :30 radio commercials, outdoor/billboard creative, print advertising, a flash website, public relations support, long format video, firearm handout, hacky sacks and other South Dakota GunWise leave-behinds. This campaign was so popular that 48 other cities across the country picked up the creative and ran it in their own markets. Lawrence & Schiller worked on the campaign until the limited grant money was spent.



**Previous Contract II: Pure Fishing**

**PF 4.3.1 Contact Information**

Ron Kliegl, VP Product Development  
1 Berkley Drive  
Spirit Lake, IA 51360  
(712) 336-1520 ext. 8110

**PF 4.3.2 Dates of Service/Contract:**

Lawrence & Schiller maintained a marketing relationship with Pure Fishing for over 20 years from 1985 to 2007.

**PF 4.3.3 Description of Services/Requirements**

Berkley Fishing Tackle came to Lawrence & Schiller in the 1980s to help market its lines of bait and tackle products. As the company began acquiring different brands like Mitchell, Abu Garcia and Stren, it needed a new brand. Lawrence & Schiller worked with Berkley to rename the company Pure Fishing. L&S helped launch products like Gulp!, Frenzy, PowerBait and Berkley Lightning Rods and helped Pure Fishing become the world's leading fishing tackle company. L&S also orchestrated an annual sales meeting which required A/V support, video production and show direction. In 2005, Lawrence & Schiller became the Agency of Record for the fishing tackle giant and continued to market product lines, as well as design and produce packaging. In 2007, the family-owned company was sold to a national corporation and the longtime relationship with Lawrence & Schiller was mutually ended.

**Previous Contract III: QMed**

**QMed 4.3.1 Contact Information**

John Siegel, former CMO  
(407) 417-2493

**QMed 4.3.2 Dates of Service/Contract:**

QMed was a Lawrence & Schiller client from 2004 until 2008.

**QMed 4.3.3 Description of Services/Requirements**

QMed, Inc., a New Jersey based company, began working with Lawrence & Schiller in 2004 on the marketing of its South Dakota Medicare Special Needs Plan, HeartLine Plus. Based on the success of the South Dakota plan, QMed expanded its special needs plan offering to Medicare enrollees in New Jersey. Lawrence & Schiller helped QMed with overall branding, general marketing, website development and Centers for Medicare and Medicare Services (CMS) compliance for both HeartLine Plus and QMedCare. Due to changes in the Medicare market, QMed could no longer offer its Medicare product and the company ceased operations in 2008.



## 6.0 Proposal Evaluation

In addition to meeting the minimum mandatory requirements as outlined in the RFP, Lawrence & Schiller would also like to provide the evaluation team with additional information to assist in the selection and award process.

## 6.2 Experience & Reliability

In order to demonstrate the agency's experience and reliability, the following case studies of related past performance are documented below.

- A. South Dakota Department of Public Safety (SDDPS) "Act Civilized"
- B. South Dakota Department of Public Safety (SDDPS) "Feed the Habit"
- C. Department of Tourism and State Development (DTSD), "Twenty Bucks for the Road"
- D. Lewis Drug, "First Stop Pharmacy Club"
- E. DAKOTACAREONE, "Get Covered"

### 6.2 A. South Dakota Department of Public Safety (SDDPS) "Act Civilized"

#### SDDPS Contact Information

James Carpenter, Director of the Office of Public Safety  
South Dakota Department of Public Safety  
118 West Capitol Avenue  
Pierre, SD 57501  
(605) 773-3178

#### "Act Civilized"

In 2009, Lawrence & Schiller worked with the South Dakota Office of Highway Safety to launch an awareness campaign aimed at decreasing drunk drivers. Research from the National Highway Traffic Safety Administration (NHTSA) showed 69% of drunk drivers who have been arrested felt embarrassment for their actions, and messaging should address this shame. Research also emphasized the importance of making it easy for drinkers to plan ahead on lining up a DD; the majority of these at-risk drivers were likely to drink outside of the home at sporting events, bars and clubs. (*"Understanding and Messaging to At Risk Drivers," prepared for NHTSA, Yankelovich, Inc., 2007*)

Rather than using boiler plate scare tactics, our messaging stemmed directly from these findings to form the "Act Civilized" campaign. "Act Civilized" positions drunk driving as uncouth, outdated and downright primitive behavior and urges drinkers to call a DD. Conveying designated drivers as a social norm rather than just an "option" for drunk drivers made members of the target audience consider their behavior as not only unsafe, but also seriously frowned upon and rejected by society.

"Act Civilized" communicated to our audience through television, radio and outdoor. We also reached our target by saturating South Dakota bars with coasters, posters and buttons encouraging the use of a DD



where people drink. These elements drove our audience to the nation's first sobriety checkpoint texting program: by texting the name of their county to 88188, consumers can sign up for alerts on sobriety checkpoints in their county. By texting their city, consumers receive a listing of local taxis for a safe ride home.

The "Act Civilized" campaign also sponsored hockey games in Sioux Falls and Rapid City, encouraging fans to text for a safe ride home and sign up for sobriety checkpoint alerts.

Nearly 6,500 people signed up for the sobriety checkpoint texting program, which was featured in *USA Today* as the first of its kind. Several other states have inquired about starting similar programs. The campaign also led to 10,466 unique visitors to ActCivilized.com. In 2009, 35 bars participated in coaster, poster and button advertising; in 2010, participation grew to 123 bars. Local police departments embraced the campaign, with one in Watertown, SD, even wrapping one of its own vehicles in "Act Civilized" vehicle graphics. The campaign resulted in 4.4 million PR impressions

## **6.2 B. South Dakota Department of Public Safety (SDDPS) "Feed the Habit"**

### **SDDPS Contact Information**

James Carpenter, Director of the Office of Public Safety  
South Dakota Department of Public Safety  
118 West Capitol Avenue  
Pierre, SD 57501  
(605) 773-3178

### **"Feed the Habit"**

In 2009, Lawrence & Schiller worked with the South Dakota Office of Highway Safety to promote seatbelt use in South Dakota. Taking a cue from drunk driving messaging, the seatbelt campaign also used a social norming approach. Research shows that it takes about 21 days to develop a new habit. If we could remind people to use a seatbelt for just three weeks, we could potentially help them create a new habit that will save their life. Because of this, we created the "Feed the Habit" campaign to reinforce using a seatbelt as a habit instead of scaring drivers or threatening them with a ticket.

The "Feed the Habit" campaign used a media blitz in April 2009 to reach a broad audience with television, radio and outdoor advertising. In addition, two demolished cars were placed on popular thoroughfares in Sioux Falls and Rapid City to show how feeding the seatbelt habit saved the lives of the drivers inside. The crashed cars garnered an estimated 51,500 impressions. Several street teams patrolled parking lots of local high schools, rewarding students who were wearing seatbelts with free food. A total of 18 communities and 3,500 high school students were touched. Rack cards used at highway rest areas and "Feed the Habit" car air fresheners were also created as helpful reminders.

A statewide survey conducted in June 2009 (when the "Feed the Habit" campaign had been running for just two months) showed seatbelt use already up from 71.8% to 72.1%. Campaign creative also earned a Gold South Dakota ADDY Award.



## **6.2 C. Department of Tourism and State Development, "Twenty Bucks for the Road"**

### **DTSD Contact Information**

Melissa Miller, Director of Tourism  
Department of Tourism and State Development  
711 E Wells Avenue  
Pierre, South Dakota 57501  
(605) 773-4010

### **"Twenty Bucks for the Road"**

Gas prices were steadily climbing in 2006, and industry leaders were predicting a major slump in summer travel. Traditionally, South Dakota has been considered a drive market, and high gas prices had the potential to hurt the visitor industry in the state. Instead of solely relying on the affordability of South Dakota, L&S sought a proactive strategy to gain positive attention from both visitors and the media.

Working with the South Dakota Office of Tourism, Lawrence & Schiller helped foster partnerships with the Ethanol Promotion and Information Council (EPIC), American Coalition for Ethanol (ACE) and the South Dakota ethanol industry to offer visitors an ethanol fuel voucher.

The "Twenty Bucks for the Road" travel promotion was meant to ease the burden of gas prices and also serve as a way to promote South Dakota as an affordable travel destination. Unlike a traditional gas card, this voucher was only valid in South Dakota, so visitors had to travel to the state to redeem it.

All newspaper, television and interactive marketing materials were branded with the "Twenty Bucks for the Road" logo, and visitors were encouraged to sign up for the voucher on the state's website to capture valuable visitor data, including addresses, phone numbers and e-mail addresses.

An aggressive public relations effort helped "Twenty Bucks for the Road" garner national attention from publications like *USA Today*, *The New York Times* and *Wall Street Journal*. The coverage from these and many other media outlets is estimated to have reached over 27 million people. When combined with the paid media placement, "Twenty Bucks for the Road" is estimated to have reached over 58 million people through readership and circulation.

Within three weeks of the campaign launch, 31,607 ethanol vouchers were requested and sent out to 15 states. Of the vouchers issued, 44% were redeemed.

A 2006 intercept study found that the daily economic impact of one travel party to South Dakota was \$216. Also stated in the 2006 intercept study, the average length of stay for a visitor to South Dakota was 4.2 days. Using this multiplier, the economic impact of the campaign was \$12,613,709.



## **6.2 D. Lewis Drug “First Stop Pharmacy Club”**

### **Lewis Drug Contact Information**

Mark Griffin, President & CEO  
Lewis Drug, Inc.  
2701 S Minnesota Ave, Suite 1  
Sioux Falls, SD 57105  
(605) 367-2000

### **“First Stop Pharmacy Club”**

Lewis Drug is a regional neighborhood pharmacy chain which also offers consumer goods in a number of categories. For decades, Lewis has maintained pharmacy market leadership in Sioux Falls and many surrounding communities. But in 2008, Lewis faced the most difficult challenge in its history when mega-chains like Wal-Mart, Target and Hy-Vee began discount prescription drug programs as loss leaders to get shoppers into their stores to purchase their primary product lines. As a result, Lewis was facing serious erosion of its pharmacy customer base.

In response, Lawrence & Schiller worked with Lewis to help create the First Stop Pharmacy Club, a program created not only to provide cost savings on prescriptions, but also to create brand loyalty with Lewis shoppers. L&S conducted focus groups and market research to define the parameters of the club. Then L&S created a multimedia campaign to introduce the club to consumers which included television, radio, billboards, web, email coupon blasts, in-store signage and public relations.

Club enrollment goals were met, pharmacy customer erosion stopped and non-pharmacy sales increased. Thanks in part to the First Stop Pharmacy Club and other L&S branding programs, Lewis achieved a very successful bottom line in 2008 during a downturn in the overall economy.

## **6.2 E. DAKOTACAREONE, “Get Covered”**

### **DAKOTACARE Contact Information**

Kirk Zimmer, CEO  
2600 W. 49th Street  
Sioux Falls, SD 57117-7406  
(605) 334-4000

### **“Get Covered”**

In 2007, DAKOTACARE sought to reach an untapped market of 18- to 25-year-olds that believed healthcare insurance was a luxury and not a necessity. DAKOTACARE not only wanted to increase awareness of its affordable individual health insurance; it also wanted to educate young people that not having insurance could ruin them financially. After extensive research, the “Get Covered” campaign was launched showcasing the cost of uncontrollable medical conditions (appendicitis, gall bladder surgery,



Caesarean sections, etc) through radio, television and billboards. The creative touted that "life's risky" but not having health insurance is even riskier.

To compliment this effort, "Body Cast Guy" and his street team were deployed to several events around the city of Sioux Falls. A college student wrapped in a body cast was wheeled around events telling curious onlookers that he was injured and had no insurance. Additional street team members passed out cards that showed how affordable DAKOTACAREONE really is compared to the cost of an unexpected surgery.

To increase the viral value of the Body Cast Guy promotion, a text messaging element was added to the campaign. Individuals who encountered Body Cast Guy were given a band-aid handout with the keyword "Ouch." Participants could text the keyword to enter to win a \$500 gift card. Once they opted-in, consumers received additional text messages about the affordability of DAKOTACAREONE. Contact information and links to a free online quote were also included in each message. A new "Body Cast Guy" page was also added to the website so individuals could enter the prize drawing, submit photos and stories.

Body Cast Guy was present at ten events in Sioux Falls throughout May and June. Over 2,000 "Ouch" cards were handed out for a total of 138 text registrants. The "R U Covered" campaign page on the website had 761 hits and 61 registrants. DAKOTACARE also reported that the month of June was the best month of the year for enrollment in DAKOTACAREONE. At the South Dakota ADDY Awards, Body Cast Guy won Best of Class for Non-traditional Marketing.

#### **5.2.3.7 Current Clients & References**

See section 4.2.3



### 5.2.3.8 Our Work

Lawrence & Schiller is a full-service agency with in-house services that include research, broadcast editing, special effects and radio production, copywriting, art direction and design, web development, public relations, media planning and placement and account planning.

#### 5.2.3.8.a. Print Ad Production and Placement: Great Western Bank

Lawrence & Schiller has worked with Great Western Bank on its "Making Life Great" campaign since 2005. Along with television, outdoor and branding collateral, L&S also produces and places ads for 125 branch locations in 60 different markets across the Midwest. Each branch and state has different requirements and regulations, so ads must be tailored to the individual market. On average, our Media Strategists place \$1.5 million in newspaper media for Great Western Bank.



it's a new day.

make it great.

As your newest neighbor, we'd like to introduce ourselves. Our story begins nearly a century ago as a small town bank. But because of sound and prudent banking practices (and a lot of hard work), Great Western Bank grew to become a leading regional bank with 137 locations and 20,000 surcharge-free ATMs across the U.S.

Today, in the face of difficult economic times, we're still growing by adding employees and locations, with 38 branches in Iowa alone. We're investing in the communities we serve, both financially and through volunteer work. And we're continuing to lend so you can reach your dreams.

***We're proud to be your neighbor and look forward to Making Life Great here in Iowa.***

***Visit any of our 38 branch locations in Iowa, now including:***

***Ames:*** 402 Lincoln Way 515-233-3130 • ***Elkhorst:*** 1402 Washington St 641-858-5411 • ***Gladbrook:*** 401 2nd St 641-473-2023 • ***Grinnell:*** 1030 Broad St 641-236-7544  
***Marshalltown:*** 11 N First Ave 641-784-5805 • 3 E Southridge Rd 641-782-5778 • ***Newton:*** 511 First Ave E 641-792-9832 • ***Prairie City:*** 301 W Jefferson 515-994-2619  
***Story City:*** 522 Broad St 515-733-4322 • ***Sully:*** 610 Fourth St 641-594-4400

  GreatWesternBank.com  **Great Western Bank**  
*Making Life Great*





#### 5.2.3.8.b. Television or Video Ad Production and Placement: Sanford "The Gift"

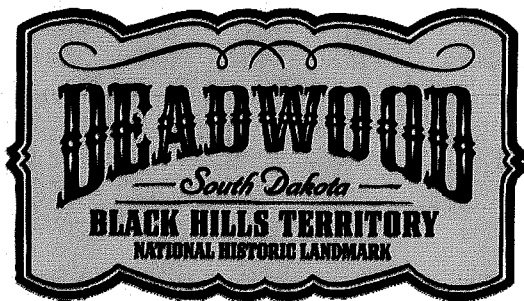
In 2006, a gift was given to Sioux Valley Hospitals and Health System by philanthropist and businessman Denny Sanford. Administrators asked L&S to help transform their brand while keeping the landmark donation announcement under wraps for an entire year. L&S happily accepted the challenge and executed with precision. "The Gift," as the Sanford donation came to be known, was the heart of the campaign to highlight the broad-reaching impact of the newly-named Sanford Health and impact the gift would have on employees, the community, the region and the country.



*A gift has  
been given.*



#### 5.2.3.8.c. Radio ad Production and Placement: Deadwood Chamber and Visitors Bureau "Inner Outlaw"



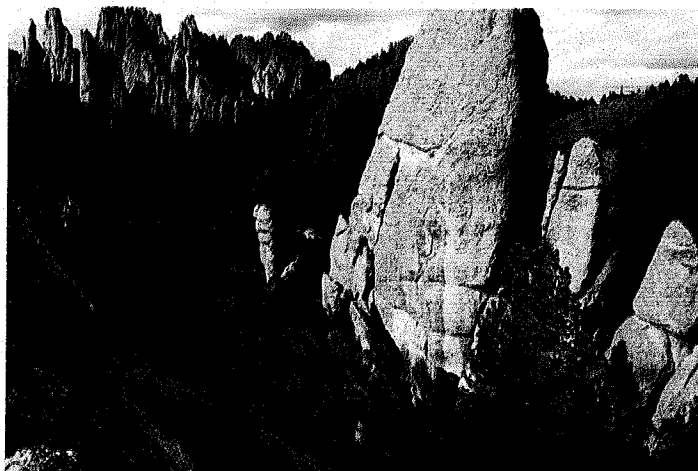
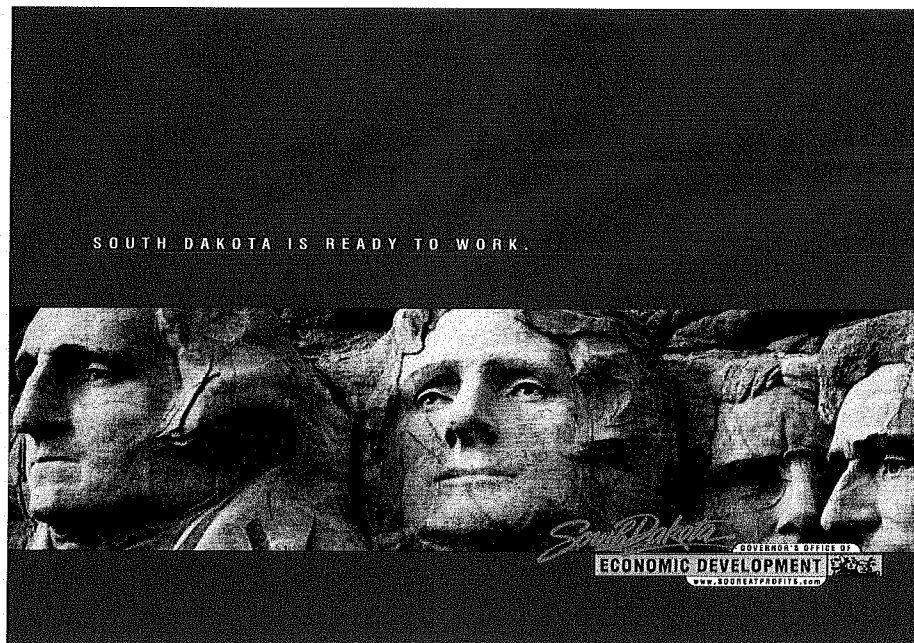
Lawrence & Schiller has been working with the Deadwood Chamber and Visitors Bureau, as co-op partner of the Office of Tourism, since 2006. Part of Deadwood's integrated peak, shoulder and winter campaigns include radio in markets like Minneapolis, Denver and Sioux Falls/Sioux City. To help make the radio spots cut through the radio clutter, L&S conceptualized a series of spots that focused on the Wild West legends

and the modern-day gaming fun in Deadwood. The "Poker Playing Cowboys" invited people to check out all of the fun, food and gaming of Deadwood, while the "Inner Outlaw" spots encouraged people to release their inner outlaw and book a vacation to Historic Deadwood.



#### 5.2.3.8.d. Brochure Design: GOED Ready To Work

In 2006/2007, L&S worked with GOED to rebrand the Office of Economic Development. After meeting with several site selectors in the Minneapolis/St. Paul area, it was determined that the people and work ethic of South Dakota were more attractive than the low tax and business-friendly environment. With this in mind, L&S and GOED launched a new marketing campaign that touted "South Dakotans Are Ready to Work." Along with a new logo and website, L&S also helped design a vision piece that showcased the hard working people of South Dakota.



WE'RE CONVINCED HARD WORK HAS ITS REWARD.  
WE CALL IT SOUTH DAKOTA.

*South Dakotans make it all worth while*

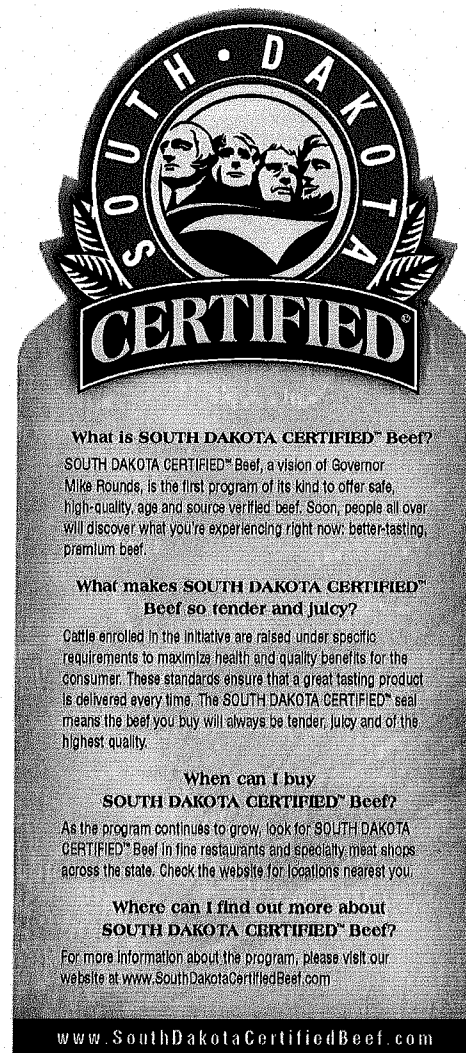
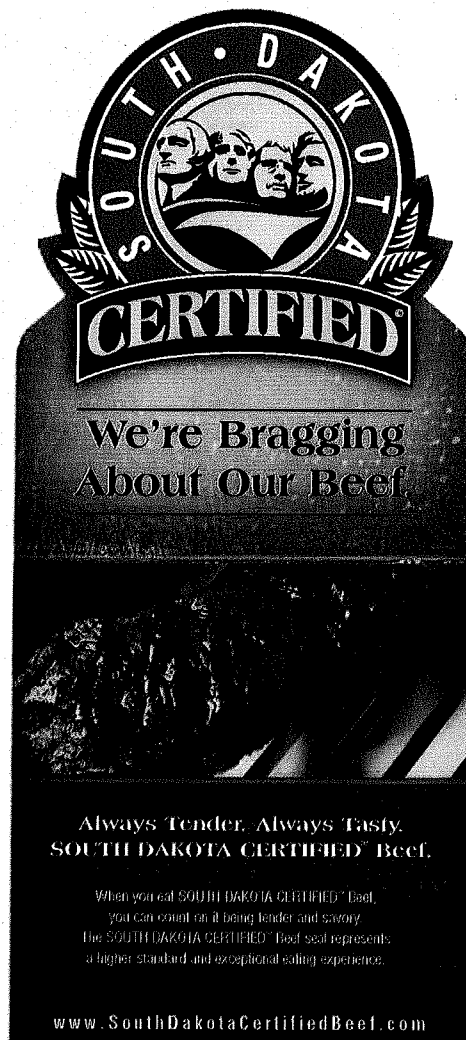
From pleasant lakes to pleasant foods, symphonies to rodeos, living in South Dakota makes it all worthwhile. Availability of luxury homes at affordable prices, a surprisingly moderate climate, and accessibility to shopping, transportation, restaurants, nightlife and a wide variety of cultural recreation, combine to offer a quality of life that is hard to find anywhere else.

*South Dakota* GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT



### 5.2.3.8.e. Out-of-Home: SOUTH DAKOTA CERTIFIED™ Beef Rack Card

The second goal of the 2010 Initiative calls for the state to increase its GSP by looking for value-added programs that promote agricultural and natural resource development in South Dakota. When the state launched the SOUTH DAKOTA CERTIFIED™ Beef program it called upon L&S to help brand it as the "World's Best Beef." After doing extensive focus group research, L&S and GOED developed several branding items, including radio spots, brochures, a video and marketing rack cards. The "Bragging About Our Beef" rack card—die-cut to stick out—provided consumers and producers with a program overview and information on where they could "experience" the world's best beef.





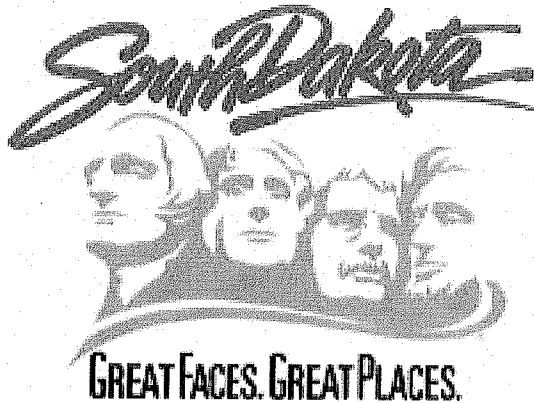
5.2.3.8.f. Internet Ad Production and Placement: Custer State Park "Roundup the Family"

When the South Dakota Office of Tourism and its co-op partner Custer State Park wanted to promote the new reunion cabins, it turned to L&S to help them create an online campaign that would generate leads and increase awareness of the new facilities. The Roundup the Family promotion ran on regional, family-specific and behavioral targeted sites. The creative used the wildlife of the park, relating them to the crazy uncle and persnickety aunts, to whom everyone can relate. Over 8,000 people registered for a chance to win the reunion prize.





**5.2.3.8.g. Market Research: South Dakota Office of Tourism Visitor Profile**



Through economic impact and intercept study research, the South Dakota Office of Tourism had a vague picture of its average visitor; however, it did not have a good tool in place to help develop visitor relationships or measure marketing dollar ROI. In 2006, the South Dakota Office of Tourism and Lawrence & Schiller began an extensive Visitor Relationship Management (VRM) program to better define the ideal South Dakota visitor; identify and target specific lifestyle cluster; and segment and create a specific messaging for a greater ROI.

More than 50,000 visitor inquiry records were analyzed against 48 lifestyle clusters, and a clearer picture of the typical visitor emerged. After the initial analysis in 2006, the marketing team made a conscious decision to limit media dollars spent in markets that were further away, and instead, increase dollars for media in markets immediately surrounding the state. In addition to increasing the volume of inquiries from the surrounding targeted region, the results show that the marketing penetration index more than doubled in the top 10 markets. By targeting the "best visitor" for the state, the overall visitor profile dramatically changed in just twenty-one months. The typical visitor is now more affluent and has the propensity to travel more and spend more per trip than the visitor profile in 2006.



## **5.2.4 Cost Proposal**

The following is a summary of the anticipated costs to be incurred to complete the proposed Scope of Work.

### *Compensation*

The primary sources of revenue for Lawrence & Schiller come from providing intangible services, ideas, consultative advice and the application of specific disciplines (such as communications, marketing, research, graphic design and photography) in the development of comprehensive programs, which, in most cases, is directed at selling other goods and services for our clients. Because our resources and services are utilized in different ways by each of our clients, we divide our compensation into three categories:

### *Hourly Billing Rates*

The L&S hourly billing rates vary by function, tenure and expertise and are noted below:

- \$105/hour – Billing rate for Art Production, Account Coordination, Broadcast, Copywriting, Research and Public Relations
- \$130/hour – Billing rate for website design and development and all personnel at a Senior or Director level
- \$150/hour – Billing rate for all personnel at a Vice President level or above
- Media planning and placement is a non-billable function. Our media expertise is compensated through a media commission as noted below.

### *Media Placement*

There are four fundamental activities that L&S will provide to the Governor's Office of Economic Development when placing media:

- **Marketing and Planning:** Basic background briefing on the client, the market situation and industry trends, and research of competitive information that may be available. Documenting a plan to accomplish goals of client for timeline set by client.
- **Media Buying:** Meet and negotiate with various media representatives, create and contract the strategic media buy and traffic creative to media.
- **Client Services:** Keep up-to-date on market and audience trends, recommend schedules or promotions that will be effective for the client (not a particular medium or media rep), and will field all media calls and questions for the client, freeing the client up to handle their business.
- **Post Buy Analysis:** Audit all electronic, print and web invoices for proof of performance. Analyze the delivery of audience on all electronic and web invoices to ensure projected audience was delivered. Negotiate make-goods if needed. Compile all media invoices and issue one to client.

These activities are all based on Lawrence & Schiller receiving a 15% commission on media placement.



*Production of Specific Goods and Services*

In order to implement communications campaigns, printed materials, audio, video and multimedia products and services are often required, as are other services, which our agency provides. In completing these projects, we are able to provide a seamless aspect to the marketing process: the flow of ideas and information in planning is directly connected to the process of creating and producing the end product. There are direct costs and benefits to our clients that are associated with completion of specific materials. The fees Lawrence & Schiller receives for these projects are based on the direct costs of producing the materials involved. In addition, Lawrence & Schiller will receive a 15% commission for negotiating and managing all printing jobs.

*Approximate costs in regard to RFP 7.0*

As mentioned above, all project costs are based on time and materials. To satisfy section 7.0 of the RFP, we have provided some typical project costs below:

Radio Production - \$2,500 - \$5,000

Research – TBD based upon scope and estimated at hourly billing rates noted above

Media Commission – 15%